

DRAFT

POTENTIAL TASK FORCE STATEMENT ON THE EXPLORATION OF FUTURE ALTERNATIVE FUNDING SOURCES

The Investment Strategy the Task Force has recommended will provide the resources to maintain the transportation system and make strategic improvements in the near-term. However the Task Force recognizes that higher standards of vehicle fuel efficiency, the emergence of electric vehicles, and other factors will continue to erode the viability of the fuel tax as the primary source of funding for maintenance and improvement of the transportation system. Therefore the Task Force urges the legislature to support the exploration of alternative mechanisms that could provide more stable and predictable funding over the long term, such as a direct user fee mechanism that is based on miles traveled, wear-and-tear on the roadways, or other direct impacts to the transportation system, allowing the system to be managed and funded as a state-wide transportation utility with rates based upon use.

The Task Force also recommends that in exploring these potential mechanisms, the State should seek ways to simplify tax and fee structures so that they are understandable to the public and match the on-going needs of the transportation system.